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M&A CRITIQUE

THE WHYS AND THE HOWS

Kirloskar Ferrous acquires ISMT Ltd The deal – Sabka Sath Sabka Vikas

LEGAL

AMENDMENTS TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, IN RELATION TO REGULATORY PROVISIONS ON RELATED PARTY TRANSACTIONS (RPT'S)

DEMERGER

Shriram's mega re-jig - Looking for God Shri Ram blessings

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As we enter the New Year with new hopes there is no denial that we have seen highest M&A Activity past year. Especially in India, according to BAIN & CO, deal volume is at the highest with mid-range deals more than the mega deals ($5Bn+). M&A activity seems to be driven by first timers with pressure on all to show growth in this frenzy of deals. Owing to the startups and the newly formed unicorns who see acquisitions as the only way to grow and be disruptive the SMEs do not want to be left behind. The deals are fueled by easy access to PE Capital as well as cash at lower interest rates. A word of caution needs to be said for all the companies looking to partake in this way of inorganic growth, that integration of the companies and reasonable acquisition price are most critical for the ultimate success of the deal.

Kirloskar group is well known and respected, especially in western India, is into various business. Kirloskar Ferrous, a part of the group, has entered into an agreement to have 51% stake in ISMT Ltd. Along with complete management control by infusing funds into the company having one time settlement with its creditors. ISMT Ltd, a company started by technocrats, has been facing several issues over the years and this buyout would be a welcome win-win move for both the groups and will give respectful exit to present promoters and even present shareholders also will get compensated. Kirloskar Ferrous will be able expand its product portfolio, while ISMT would be able to get out of its financial woes.

Shriram group has quite a few businesses into different subsidiaries and its corporate structure is quite complicated. A restructuring was just what a doctor (Various financial investors) recommended. The group has proposed to have a couple of mergers and demergers by segregating financial businesses into one company from its insurance business. Promotor's stake will be less than 25% post restructuring, but financial investors will be able to exit through open market by selling their stake to strategic /financial investors.

Our legal article covers recent amendments to definition of related party and related party transactions applicable from 1st April 2022. Both definitions are being made broad base requiring prior approval of shareholders and even covering larger number of transactions. Proposal is to make some of the requirements even stringent covering more transactions with more parties with these compliances

Along with our regular features
Happy Reading....

Dr. Haresh Shah

INSIDE

AMENDMENTS TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, IN RELATION TO REGULATORY PROVISIONS ON RELATED PARTY TRANSACTIONS (RPT'S)

SURENDRA RAHALKAR

SEBI (Securities Exchange Board of India) in its Board meeting held on September 28, 2021, approved the amendments in RPT (Related Party Transactions) framework that were proposed by the Working Group1 ('WG') in January 2020 relating to the following areas:

- Definition of a Related Party.
- Definition of Related Party Transactions ('RPTs').
- Thresholds for classification of RPTs as material.
- Process to be followed for approval of RPTs.

The notification amending SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') has been issued on November 9, 2021. Certain amendments to come into force from April 1, 2022 and remaining from April 1, 2023.

In this article we have summarized below amendments made under regulation and its implications on the companies cover by the regulation mentioned above.

Following changes are made effective from April 01, 2022: -

1. Amendment in Definition of Related Party [Regulation 2(zb)]: -

I. any person or entity forming a part of the promoter or promoter group of the listed entity irrespective of its shareholding shall be deemed to be a related party.

Before amendment, any person or entity belonging to promotor or promoter group of the listed entity and holding 20% or more of shareholding in the listed entity was a related party.

ii. Further **any person or any entity, holding equity shares of twenty per cent or more** in the listed entity either **directly or on a beneficial interest** basis as provided under section 89 of the Companies Act, 2013, **at any time, during the immediately preceding financial year** shall be deemed to be a related party.

Here, they have not specified that whether if any person is holding 20% or more in listed entity either together with

another related person or entity shall deemed to be related party or not. Also have not specified when such person or entity has Diluted/ Dispose of its holding from 20% or more in listed entity then whether such person/entity ceases to be related party of the company or not.

***Further criteria of holding of 20% of equity shares by any person or entity will get reduced to 10% or more with effect from April 01,2023.**

2. Amendment in Definition of Related Party Transaction [Regulation 2(zc)]:

i. Related party transaction" means a transaction **involving** a transfer of resources, services or obligations between:

listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or

Before amendment, related party transaction refers to a transfer of resources, services or obligations between a **listed entity and a related party,** regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract.

After amendment it covers following set of transactions between: -

a) Listed entity and related party of listed entity.

b) Subsidiary and related party of listed entity.

c) Listed entity and related party of subsidiary.

d) Subsidiary and related party of subsidiary.

Prior to amendment related party transaction refers to transfer of resources, services, or obligations between parties now amendment also covers such transactions which involves transfer of resources, services, or obligations between parties. It states that transaction may not directly transfer resources, services, or obligation but transaction is designed as such that eventually reflects the same is also getting covered.

By this amendment SEBI have broadened the scope of transactions which will be covered as related party transactions. Thus, it is required procure list of related parties from every subsidiary and identify the ongoing transactions of the listed entity with the related parties of such subsidiaries; and, to Furnish list of related parties of the listed entity to every subsidiary and procure information on the nature and quantum of ongoing transactions of the subsidiaries with the related parties of the listed entities.

****Also, with effect from April 01,2023 following transactions will also be covered: -**

a) Listed entity and any other person/entity, purpose, and effect of which is to benefit a related party of the listed entity/subsidiary

b) Subsidiary and any other person/entity, purpose, and effect of which is to benefit a related party of the listed entity/subsidiary

ii. Further they have given list of certain transactions which will not be covered as related party transactions which is as follows: -

- The issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

- The following corporate actions by the listed entity which are uniformly applicable/offered to all shareholders in proportion to their shareholding:

i. payment of dividend.

ii. subdivision or consolidation of securities.

iii. issuance of securities by way of a rights issue or a bonus issue; and

iv. buy-back of securities.

- Acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the Board:

3. Changes for ascertaining value of material transaction with related party [Regulation 23(1)]: -

Under regulation 23(1) it is stated that the listed entity shall formulate a policy on materiality of related party transactions and on dealing with related party transactions including clear threshold limits duly approved by the board of directors and such policy shall be reviewed by the board of directors at least once every three years and updated accordingly:

"Provided that a **transaction with a related party shall be considered material,** if the transaction(s) to be entered into **individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover** of the listed entity as per the last audited financial statements of the listed entity, **whichever is lower.**"

Earlier listed entity has the power to formulate policy on materiality of related party transaction transactions including clear threshold limits duly approved by the board of directors. A transaction with a related party were considered material if the transaction(s) to be **entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity** as per the last audited financial statements of the listed entity

Now even if policy has approved certain limit to define material transactions which is above limit specified under regulations it will not have any effect as it would be termed as material transaction. However

listed entity can prescribe lower limit in their policy than limit specified in regulations.

Hence it is necessary for listed entity to ensure following: -

- To identify if there are any ongoing RPTs of the listed entity with its related party that are below 10% of annual consolidated turnover, however, above Rs. 1000 crore.

- To procure details of ongoing RPTs between a) the subsidiary and its related party and b) between the subsidiary and the related party of the listed entity, to ascertain if any of (a) or (b) aggregates to either 10% of the annual consolidated turnover of the listed entity or Rs. 1000 crore.

- To procure list of related parties from the subsidiaries and ascertain if there are any ongoing RPTs of the listed entity with the related party of the subsidiaries that are either above 10% of annual consolidated turnover of the listed entity or above Rs. 1000 crore

4. Prior Approval of RPT by Audit Committee [Regulation 23(2)]:

Now with effect from **January 01,2022, only those members of the audit committee, who are independent directors, shall approve related party transactions.** Also, for subsequent material modifications to the same will require prior approval of Audit committee. Regulations provides that audit committee shall define material modifications.

Earlier all related party transactions were required to obtain prior approval of the audit committee.

5. Prior approval of shareholders for material related party transactions [Regulation 23(4)]:

I. All material related party transactions and subsequent material modifications as defined by the audit committee under sub-regulation (2) shall require prior approval of the shareholders through resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

Before amendment **prior approval from shareholders was not required** for material related party transactions.

Now when transaction crosses limit specified under regulation 23(1) for which prior approval from audit committee is obtained will also require to obtain prior approval of shareholders.

ii. Further they have given list of certain transactions which will not require prior approval from shareholders which is as follows: -

a) for a related party transaction to which the listed subsidiary is a party, but the listed entity is not a party if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary.

b) Transactions entered between two wholly owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

c) For related party transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the shareholders of the listed subsidiary shall suffice.

6. Disclosure of Related Party Transactions under Reg. 23(9) in format prescribed by SEBI

I. **'High value debt listed entity'** shall submit such disclosures along with its standalone financial results for the half year:

II. **listed entity shall make such disclosures every six months within fifteen days** from the date of publication of its standalone and consolidated financial results

Before amendment listed entity was required to submit **within 30 days from date of publication of its standalone and consolidated financial results for the half year,** disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.

III. Further **with effect from April 1, 2023**, listed entity shall make such disclosures **every six months on the date of publication of its standalone and consolidated financial results**

SEBI has broadened the definition of related party and related party transactions to cover more transactions and has introduced stringent compliances for approval of related party transactions.

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Shriram's mega re-jig - Looking for God Shri Ram blessings

Anirudha Jain

Shriram group announced the long-awaited re-jig of its group structure. The proposed re-jig entails consolidation of finance business under one listed company and its other businesses (insurance) continues to be placed outside the listed entity.

Shriram Group is India's leading financial conglomerate with a dominant presence in commercial vehicle (CV) financing, retail financing, chit fund, equipment financing, housing finance, life insurance, general insurance, stockbroking, distribution of financial products, and wealth advisory services.

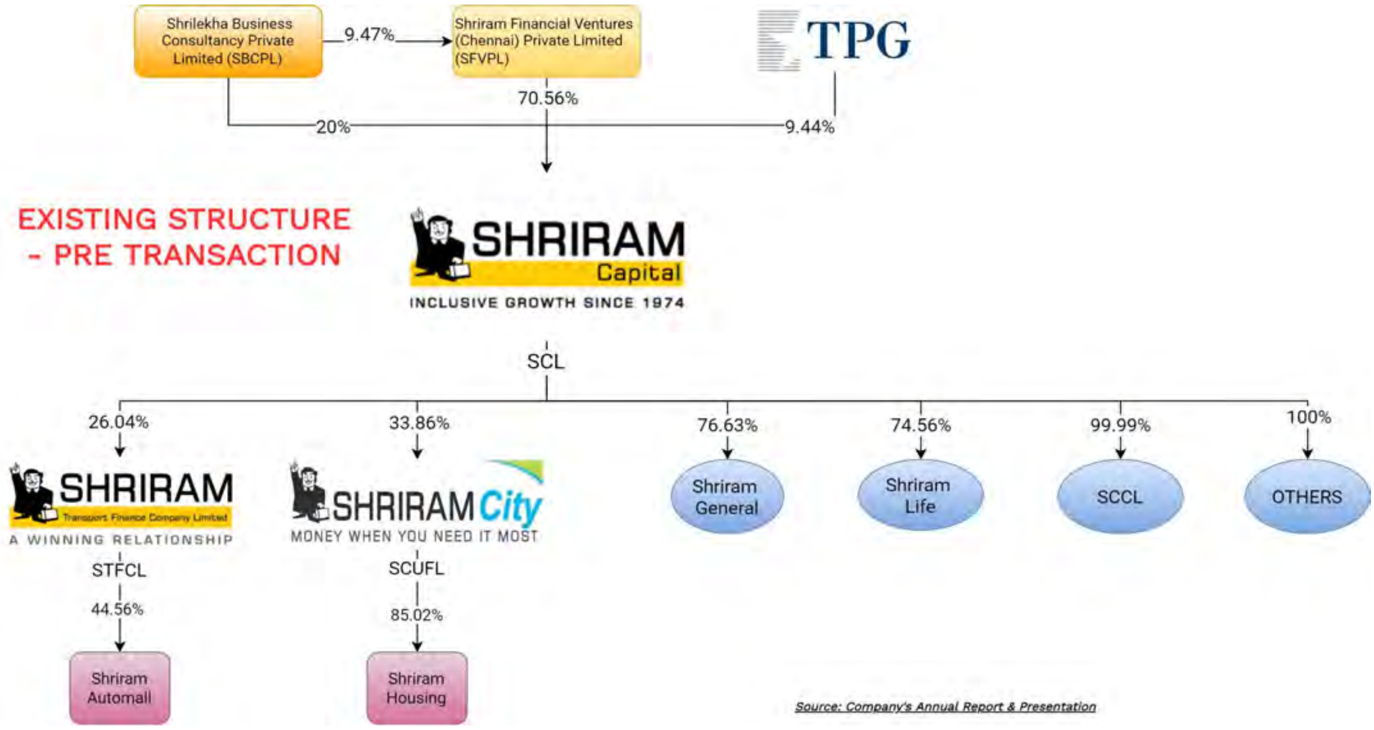
Shriram Capital Limited (SCL) is the holding company for the Financial Services (Shriram City Union Finance Limited & Shriram Transport Finance Limited) and Insurance entities (Shriram General Insurance Company Limited & Shriram Life Insurance Company Limited) of the Shriram Group. Shriram Housing Finance Limited is a subsidiary of Shriram City Union Finance Limited.

Shriram Transport Finance Co Ltd. (STFCL) a part of the Shriram Group, is one of the largest asset financing Non-Banking Financial Company's in India. STFCL is a leader in the organized financing of pre-owned trucks.

Shriram City Union Finance Limited (SCUFL), a part of the Shriram Group, is one of India's leading non-banking finance companies focused on the rural and semi-urban sector. The Company is a leading Two-wheeler financier, provides loans to SMEs, Gold loans and has a Housing Finance Subsidiary, Shriram Housing Finance Ltd.

The proposed re-jig is structured in a way to not only streamline the group structure but also to give direct ownership to the financial investors like PEL.As a result, PEL can have smooth and tax efficient exist through stock exchange.

The Existing Structure of the group



Currently equity shares of Shriram Capital Limited are held by Shrilekha Business Consultancy Private Limited (SBCPL), Shriram Financial Ventures (Chennai) Private Limited (SFVPL) and TPG group.

TPG Capital is a long-standing investor in Shriram Group. While, Piramal Enterprises Limited acquired ~10% equity stake in STFCL and later in 2014, acquired effective 20% equity stake (through SBCPL) in SCL and `10% equity stake in SCUFL. The total investment was pegged at around INR (India Rupees) 4440 crore. Mr. Ajay Piramal also appointed as a chairperson of SCL. Later in 2019, PEL offloaded its stake in STFCL. Apart from these two, South Africa based Sanlam Group also hold strategic investment in Shriram Group. Sanlam is also a joint venture partner in the two life and general insurance subsidiaries.

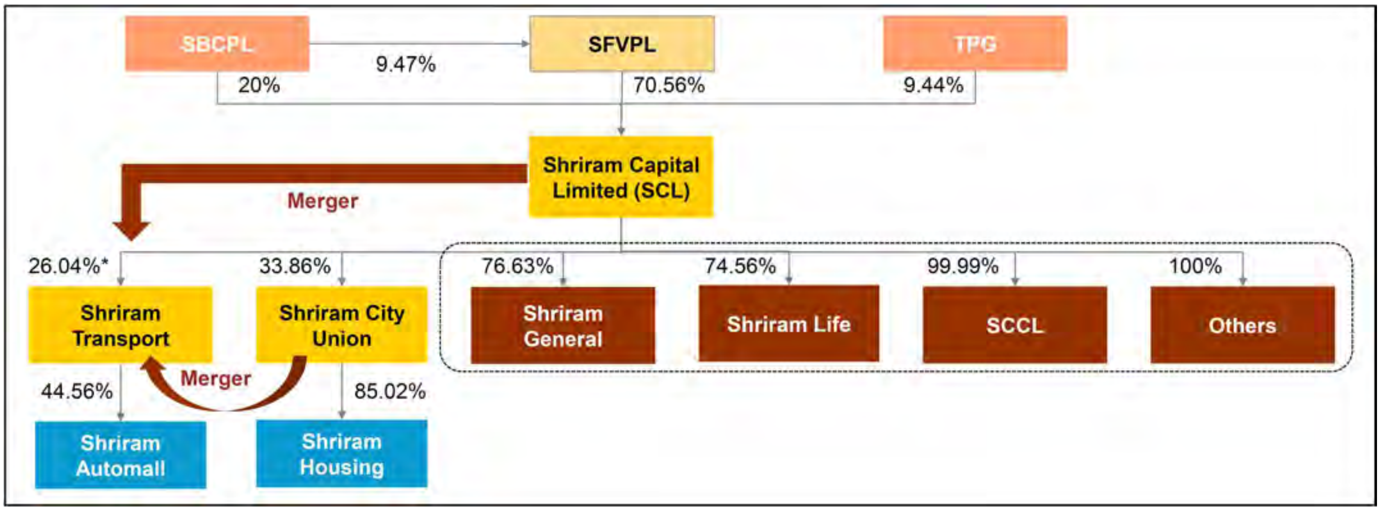
The Proposed Transaction

To streamline the group structure and facilitate exit to its investors, the proposed re-jig will be done in:

- Amalgamation of SBCPL with SCL
- Demerger of Insurance & Financial Services Undertakings into respective companies followed by merger of remaining SCL with STFCL
- Amalgamation of SCUFL with STFCL

Other Salient Features of the Scheme includes:

- The name of STFCL will be changed to Shriram Finance Limited
- Rejig-w.r.t the management



Rationale for the proposed re-jig

Apart from streamlining the structure of the group, the key reason for the proposed re-jig to facilitate exit for the financial investors like PEL and TPG group. Major part of their investment in Shriram Group is through SCL which is unlisted holding company of the group.

Apart from this, there are likely couple of business synergies which will arise:

Largest NBFC

The move will result in making STFCL, largest retail NBFC in India. The combined entity will be having Assets under Management of circa 1,50,000 crore and customer base of over 2.1 crore.

STFCL has total 1825 branches while SCUFL has 971 branches across India. Most of the branches of SCUFL are concentrated in South India while STFCL has a balance distribution of branches compared to SCUFL. There is limited overlapping of branches between STFCL and SCUFL.

To facilitate exit at right value for the financial investors like Piramal & TPG, streamlining the group structure and thereby giving them a direct ownership is essential.

Diversification

STFCL is engaged in financing of used vehicle (mainly commercial) while SCUFL is leading Two-wheeler financier, provides loans to SMEs, Gold loans and has a Housing Finance Subsidiary, Shriram Housing Finance Ltd. Financing of used vehicle is a monoline business and highly cyclical. While SCUFL is concentrated in south India. With the merger, product portfolio will be much wider and provide balance spread across India.

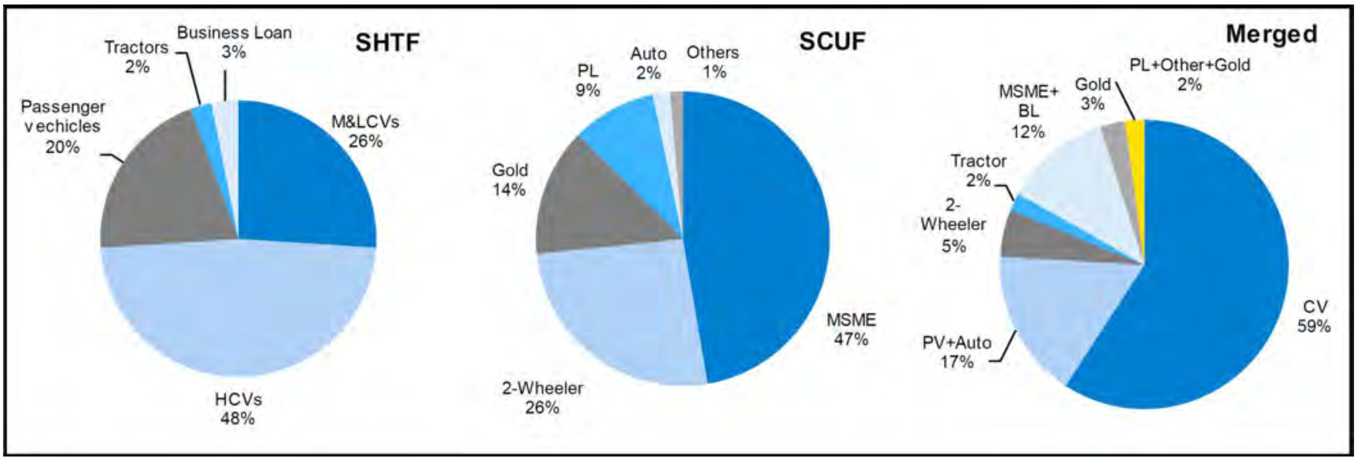
The group is also developing a super app Shirom One, the merger will help in consolidating various business portfolio under one roof.

Ticket size & tenure of the finance provided by SCUFL is low while that of STFCL is high.

Cross-Selling

Currently, the cross-selling for the group is limited to the insurance business only. There is no cross-selling between STFCL and SCUFL. Going ahead, the management will focus on cross-selling between STFCL and SCUFL business. Further, being a wider portfolio, the cost of borrowing will come down. In all, the management has guided for incremental

Sector	Vehicle	MSME	Two Wheeler	Gold	Housing	Personal Loans	Others
Products	CV, CE, PV, Tractors | Used & New	Enterprise Finance	Two Wheeler | Used & New	Loan against Gold	Home Loan & LAP	Personal Loans	W.Cap loans & Others
AUM (~INR Bn) as on 31st Mar 2021	1,130	150	80	40	40	20	50



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Shareholding pattern of the Entity

- Shareholders of SCL for every 1 share of Re 1 each of SCL will receive 0.097 share of Rs 10 each of STFCL

- Shareholders of SCUFL for every 1 share of Rs 10 each of SCUFL will receive 1.55 shares of Rs 10 each of STFCL

Promoter holding in the merged entity i.e., Shriram Finance Limited will be 20.11% cumulatively held by Shriram Ownership Trust (SOT) & SFVPL. PEL will own circa 8.5% while TPG will own circa 2.6% in the merged entity. These two investors are classified as a public shareholder. Apart from this, they will continue to hold stake in Insurance and other Finance Business.

Shriram Finally Providing an exit

The proposed re-jig is not the first attempt made by Shriram group to provide an exit to financial investors. In 2017, the group entered into an exclusive agreement with IDFC group to evaluate potential combination of certain businesses and subsidiaries with IDFC group. However, later the mega merger plan called off due to valuation and structure differences between groups.

Considering the different risk engaged in product portfolios of STFCL & SCUFL, one must wait to unfold synergy benefits arising on account of the merger

Later in 2019, many of the newspapers reported news that Shriram group considering consolidation of finance business with Piramal's finance business. Meanwhile, PEL and TPG took part exit from Shriram Group. However, their major investment being in unlisted holding company, collapsing holding company was inevitable for exit.

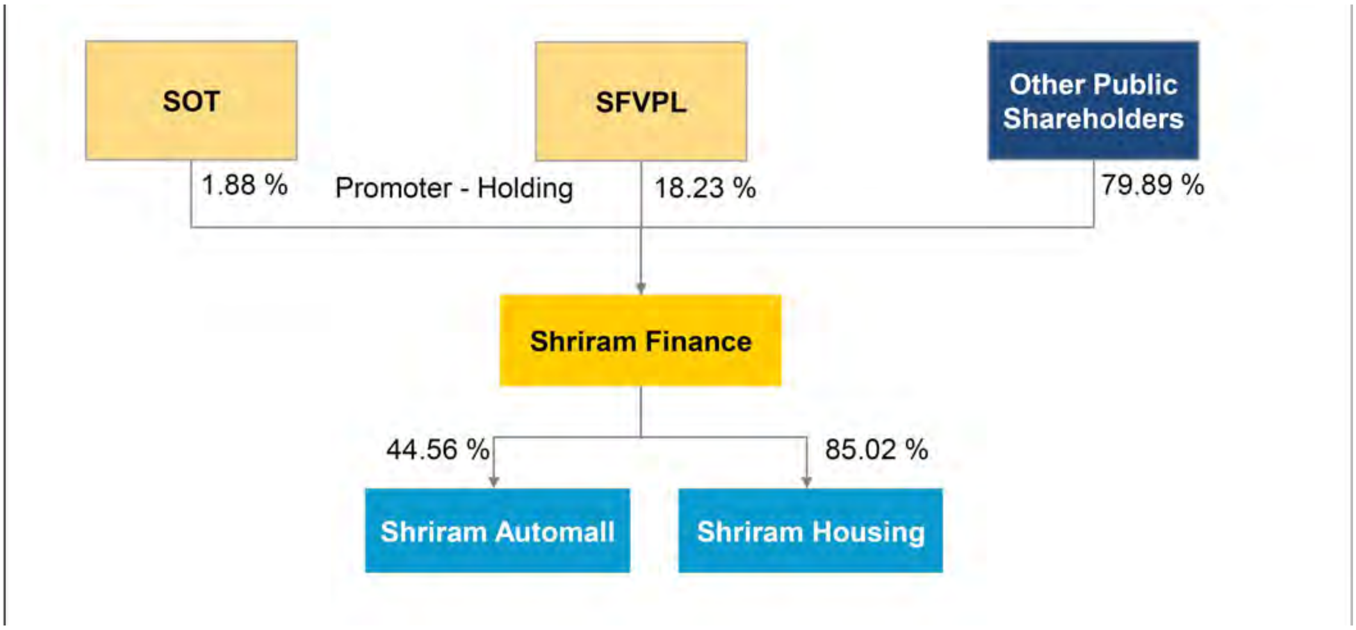
In addition, PEL will have stake in Insurance as well as other businesses which will be demerged from SCL. Going ahead, PEL may also evaluate possibility of consolidating part Shriram Group business with itself.

After completion of the re-jig, STFCL shareholding pattern will be:

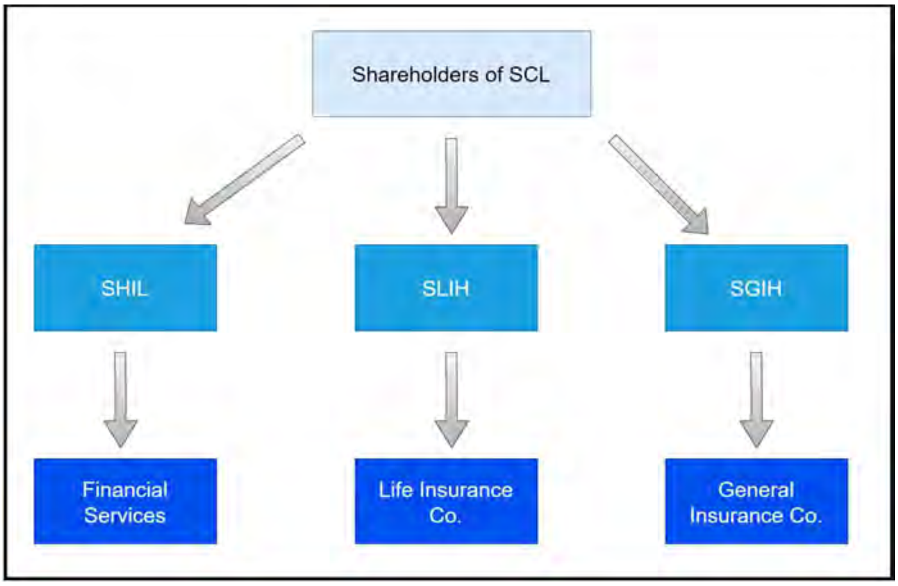
Particular	Pre		Post	
	No. of Shares	%	No. of Shares	%
Promoters	704,94,053	26.06	7,49,85,867	20.11
Public	2000,25,660	73.94	2979,30,459	79.89
Total	2705,19,713	100	3729,16,326	100

Particular	No. of Shares
Total Amount invested by PEL in Shriram Group in 2013 & 2014	INR 4583 crore
Sale of investment in STFCL in June-19	INR 2300 crore
Existing Market Cap of STFCL*	INR 32,700 crore
Existing Market Cap of SCUFL*	INR 11,550 crore
Merged Entity Market cap (excluding Insurance & others)	INR 44,250 crore
PEL Stake Value (8.5% in merged entity)	INR 3761 crore

*: Market cap as on 21.12.2021.



Demerger of Financial & Other Business



The Scheme proposes for demerger of Financial Services Undertaking of SCL into -Shriram Investment Holdings Limited ("SIHL"); demerger of Life Insurance and General Insurance Undertakings of SCL into Shriram LI Holdings Private Limited("SLIH") and Shriram GI Holdings Private Limited ("SGIH") respectively.

Currently, the Life and general insurance business is being carried by Shriram Life Insurance Company Limited and Shriram General Insurance Company Limited, respectively. Through demerger, SLIH & SGIH will become holding companies holding investment in life as well as general insurance.

Before consolidation of finance business, the group's insurance business will be carved out. The probable reason part from the commercials for demerging Insurance business could be regulatory challenges for consolidating insurance business with finance business.

Shriram group made multiple attempts to rejig its businesses so that it can streamline its corporate structure and provide an exit opportunity to its various investors. Let us hope the latest proposal will go through without any hurdle. The rejig in one hand will provide exit opportunity for some of the long-standing investors and simultaneously will also enable to invite strategic investors and go for IPO (Initial Public Offering) for insurance business.

Post-restructuring promoters holding of circa 20% will be continued to be housed under complex trust structure. If they want to continue to run the business, they might need to raise funds by exiting or selling substantial stake in other business-like life insurance and general instance. So, it is long way for the group to have structure which will enable them to grow without any burden of giving exit to investors.

IDFC First Bank board favours merger with promoter entities

IDFC First Bank said its board has favoured the merger IDFC Ltd and IDFC Financial Holding Co Ltd (promoter group) with the bank.

The board of directors of the bank in a meeting held on December 30, 2021, considered the proposal for merger of IDFC Ltd and IDFC Financial Holding Co Ltd (promoter group) with IDFC First Bank, the bank said in a regulatory filing.

"We are, in principle, in favour of the merger, subject to the approval of the board of directors, shareholders, creditors and statutory and regulatory approvals of the respective entities," the bank said in a regulatory filing.

The private sector lender said the board has constituted and authorised a committee -- Capital Raise and Corporate Restructuring Committee -- to work on the terms of the proposed merger.

This will include finalisation of the scheme, valuation, hiring advisors among others.

Earlier in July, the Reserve Bank of India allowed IDFC Ltd to exit as the promoter of IDFC First Bank as the five year lock-in period ended, and paved the way for a potential reverse merger between two entities.

CCI approves 96.42 per cent equity acquisition in Jindal Power by Worldone

The Competition Commission of India (CCI) said it has approved the acquisition of 96.42 per cent equity shareholding in Jindal Power Limited by Worldone Private Limited.

Worldone Private Limited (Worldone) is an investment holding company which has investments in various listed and unlisted companies. Jindal Power Limited (JPL) is primarily engaged in the business of generating thermal power by using coal as a fuel source.

The Proposed Combination relates to the acquisition of 96.42 per cent equity shareholding in JPL by Worldone. The relevant markets associated with the transaction are (i) Market for coal-based thermal power generation in India (ii) Market for power transmission in India, the Competition Commission of India said in a statement.

Mahindra Logistics acquires 100% stake in Meru

Third-party logistics solution provider Mahindra Logistics Ltd (MLL) has announced its acquisition of Meru. The company has acquired 100 per cent equity share capital of Meru Mobility Tech Private Limited, V-Link Fleet Solutions Private Limited and V-Link Automotive Services Private Limited from Meru Travel Solutions Private Limited (MTSPL), Mahindra Logistics said.

The company has also acquired 100 per cent equity share capital of MTSPL from Mahindra & Mahindra Limited (M&M), a statement said.

Mahindra Logistics said he acquisition is a strategic move to consolidate and expand its business in the enterprise mobility space. Meru Cabs, a ridesharing company founded in 2006, had revolutionised the way people travelled in cabs by offering AC cabs at their doorstep with a single call. Today, Meru has a significant presence

in the airport ride hailing segment and provides on-call and employee mobility services to corporates in India. Meru also has a large number of Electric vehicles in their fleet.

"The addition of Meru under its brand, will further strengthen MLL's mobility business. MLL is already a leader in its Enterprise Mobility Service (ETMS) business, which operates under the 'Alyte' brand. With this acquisition, MLL will enhance its range of mobility solutions with strategic focus on enterprise customers and electric mobility," the company said.

"We anticipate significant synergies by leveraging the combined capabilities in supply, technology management and Electric mobility. The combined capabilities of Meru and Alyte will enable us to better serve our B2C and enterprise customers with an expanded portfolio of services delivering on a promise of safety, customer excellence and sustainability."

HDFC acquires stake in Ansal Housing via invocation of pledged shares

HDFC Ltd today announced that it has acquired 8.42% stake in real estate developer Ansal Housing through invocation of pledged shares.

The non-banking lender has invoked pledge on 5 million shares of Ansal Housing to recover part outstanding dues by certain borrowers.

"The main objective of Ansal is to acquire, purchase, sell, own, manage, improve, develop, let, take on lease, exchange, mortgage, assign, hire or otherwise acquire and/or dispose of any type of lands or properties or any tenure of interest herein and to erect and construct houses, multi-storeyed flats, building farmhouses, shops or works of every description and to pull down, rebuild, enlarge, alter, and improve existing houses, buildings, shops and works thereon and to convert and appropriate any such lands into roads, streets, gardens and other convenience and generally to act as real estate developers, builders, colonisers, contractors and agents," HFDC said in a statement.

"We anticipate significant synergies by leveraging the combined capabilities in supply, technology management and Electric mobility. The combined capabilities of Meru and Alyte will enable us to better serve our B2C and enterprise customers with an expanded portfolio of services delivering on a promise of safety, customer excellence and sustainability."

SME neo-banking platform Open buys Finin for $10 mn in cash-and-stock deal

Open, the SME neo-banking platform announced the acquisition of consumer neo-banking platform Finin for $10 Million in a cash-and-stock deal.

The acquisition will strengthen Open's cloud native enterprise offering BankingStack through which it has deployed SME digital banking solutions for 17 banks. The deal will also provide a fillip to the firm's recently launched no-code embedded finance platform Zwitch, through which it enables fintechs and non-fintechs to launch innovative digital banking services, said the company.

"The acquisition of Finin adds strategic value to Open's offering in the cloud native enterprise banking and

embedded finance space. Today through BankingStack, our cloud native enterprise banking offering, Open powers over 15 banks in India and 2 banks in South-East Asia mostly in the business banking space. With the addition of Finin, Open will be able to offer holistic business and consumer banking propositions to banks that are looking to enhance the digital banking experiences for their customers," said Anish Achuthan, Co-founder & CEO, Open Financial Technologies.

Finin was the first consumer neo-banking platform to be launched in India in 2019. Founded by Suman Gandham and Sudheer Maram, Finin was backed by Unicorn India Ventures and Archana Priyadarshini, and offers a savings account that allows consumers to save and invest their money.

Founded in 2017, Open offers a neo-banking platform that brings together all the tools used by small businesses and integrates it with the business current account. The Open platform today powers close to 2 Million SMEs and processes over $ 24 Billion in annualized transactions. The platform also adds over 100,000 SMEs every month, making it the fastest growing SME-focused neo-banking platform globally.

Suman Gandham, Co-founder & CEO, Finin added, "When we first launched Finin, I promised my squad that we would make a hallmark in the fintech industry, and show Indian consumers what neo-banking can really do for them. Now with the acquisition by Open, I'm absolutely convinced that we are speeding towards that goal."

JSPL MD says company keen to buy Neelachal Ispat

Naveen Jindal-led Jindal Steel & Power is planning to "seriously pursue" state-run steel plant Neelachal Ispat Nigam Ltd (NINL) for which the government is expected to open bids on December 23.

"We are very serious about this asset. For us, the chances are also better, I think … Though the highest bidder will get the chance, I think we can turn around the asset faster," JSPL managing director VR Sharma said during an interaction with ET.

Sharma is projecting a fair value of around Rs 5,000 crore for the assets of NINL, including its land and mines.

Department of Investment and Public Asset Management secretary Tuhin Kanta Pandey last month stated that the Centre was looking forward to completing the financial bids for the remaining six public sector undertakings that were listed for divestment. These are BPCL, BEML, Shipping Corporation of India, Pawan Hans, Central Electronics and NINL.

Several companies in the metal industry have submitted expressions of interest (EoIs) for NINL. From them, ArcelorMittal, JSW Steel, Hyderabad-based Megha Engineering & Infrastructure, Tata Steel and JSPL are among firms that have been shortlisted.

In an earlier interaction, Tata Steel managing director TV Narendran said that the company was planning to expand its long-product portfolio, and was pursuing acquisitions such as of state-owned NINL and Rashtriya Ispat Nigam for this.

NINL is a 1.1-million-tonne-per-annum integrated steel company located at the Kalinganagar Industrial Complex in Jajpur, Odisha. It has around 2,500 acres of land on lease from the Odisha government.

"If we win the asset, we are planning to set up a wire-drawing facility, a wire-rod facility and we want to put up a container facility there … We are also interested in

putting up a commercial coke oven plant, as we have secured coking coal mines in Australia recently," Sharma said.

JSPL is also planning to tie up with its sister company, Jindal Stainless, to set up a stainless steel wire rod plant.

NINL has proximity to iron ore mines, seaport, railway network and expressway, said Sharma.

However, NINL has incurred around Rs 3,234 crore of loss in the last five years.

"The company is loss-making. However, with some investment, we can turn it around … we can invest in the downstream rolling facility and further value addition can yield good results," Sharma said.

Shriram Capital, Shriram City Union to merge with Shriram Transport

Shriram Capital Ltd (SCL) and Shriram City Union Finance (SCUF) will merge with Shriram Transport Finance Company (STFC) as part of restructuring in Shriram Group.

The new entity, which will be the largest retail non-banking financial company (NBFC) in India, will be named Shriram Finance Ltd (SFL).

The merger, which will lead to a simplified corporate structure, is expected to pave the way for the exit of investors like Ajay Piramal. Piramal, who holds 20 per cent in SCL and 9.96 per cent in SCUF, will hold 8.37 per cent in the merged entity, Shriram Finance.

The less complex structure may attract fresh investors to the new entity.

After the merger, the entity will have assets under management (AUM) of over Rs 1.5 trillion, more than 20 million consumers, and a distribution network of around 3,500.

All of these will be serviced by a team of more than 50,000 employees. Pursuant to the merger, STFC will issue 1.55 shares for every one share of SCUF and 0.097 shares for every one share of SCL, STFC said in a filing with the BSE. The group expects to complete the merger in nine months.

The boards of the three companies approved the merger on Monday. It is subject to the approval of the shareholders of three companies and regulatory bodies like the Reserve Bank of India, National Company Law Tribunal, and National Housing Bank.

The company will launch a super-app called "Shriram One", where all lending, savings, and insurance products will be available on a single platform.

"We are simplifying our holding structure, eliminating multiple layers. After the merger, what we get is the largest retail NBFC in the country. Hence the benefit will come from synergies and how we can enhance our touch points with the existing customers," D V Ravi, managing director of Shriram Capital, told Business Standard. He added the tech stack would also become common, helping the customers to access all the products. It will also enhance the company's distribution footprint across all business lines without incurring any incremental capex.

The merger will help the group bring together all its lending products -- loans for commercial vehicles, two-wheeler loans, gold loans, personal loans, auto loans, and

small enterprise finance.

SCL will merge with STFC after the de-merger of all other businesses of the group -- namely life insurance, general insurance, and all non-lending and non-insurance activities.

Shriram Housing Finance will become a subsidiary of Shriram Finance with an 85.02 per cent holding. Shriram Finance will hold 44.56 per cent in Shriram Automall India after the merger. All other businesses, including insurance, will be held separately outside the listed entity.

The announcement comes two weeks after Shriram Group's founder, R Thyagarajan, came up with a succession plan through the trust route by appointing a board of management to run the Shriram Ownership Trust (SOT).

"The idea is to integrate and make all the products -- lending, insurance and savings – under one platform. The tech stack is built to make customer life easy," Chakravarti said.

He added Shriram Finance would enhance its product basket with new products and thereby look at segments like supply-chain finance and discounting in the logistics segment.

SCUF and STFC see this merger as an opportunity to strengthen their offers and provide a more holistic product basket encompassing all lending products.

Morgan Stanley and ICICI Securities were financial advisors in this transaction. The valuation exercise has been conducted by Bansi C Mehta & Co and Ernst and Young (EY). EY has also assisted in the restructuring and taxation assessment for the transaction. J&M Legal has been the legal advisor. HSBC and JM Financial have helped with the Fairness opinion. PwC will help STFC and SCUF navigate the post-merger integration process.

"We have very few overlaps in terms of branch network. We don't want to be just a digital-only company. We want to reach out to consumers for businesses like gold loans, expanding to more geographies, and opening a greater number of branches," Chakravarti said.

Good Glamm buys Miss Malini Entertainment to expand footprint in celeb media

Good Glamm Group, South Asia's largest content-to commerce conglomerate, has acquired MissMalini Entertainment- India's largest celebrity media and influencer talent management network. This is a first of its kind acquisition of a personality-driven company by content to commerce conglomerate. The companies didn't reveal the value of the transaction.

This strategic move will offer Good Glamm Group access to a robust network of influencers, celebrities and market know-how strongly enhancing its unique content-to-commerce play in the country.

Following this acquisition, Mumbai-based MissMalini Entertainment will continue to function independently while bringing its expertise to the Good Glamm Group. MissMalini Founder Malini Agarwal and Co-founders Nowshad Rizwanullah (also CEO) and Mike Melli (also CRO) will continue to lead the company. They will work closely with Good Glamm Group founder and CEO, Darpan Sanghvi and co-founders Priyanka Gill and Naiyya Saggi.

"We have admired MissMalini over the years. They were the first movers in the Influencer space, are the leading

digital voice on Bollywood and the Girl Tribe is turning into a highly engaged and relevant community," said Darpan Sanghvi, group founder and CEO, Good Glamm Group. "We see all these elements and expertise as highly valuable pieces in the ambitious Content to Commerce disruption we are creating in India. Super excited to begin this journey with MissMalini and support their vision and growth."

Last month, the Good Glamm Group, raised $150 million in funding in its Series D round, where the Mumbai-based firm was valued at $1.2 billion, making it the newest member of the coveted unicorn club.

"Becoming part of Good Glamm Group will be hugely beneficial for both parties, whether in terms of our massive, combined industry footprint or opening new avenues for growth in this digital-first world," said Malini Agarwal, founder, MissMalini. "We share a joint vision to transform India's burgeoning social commerce industry, leveraging first-mover advantages to create exciting new opportunities across the country's creator economy."

The Good Glamm Group's commerce and content stack coupled with MissMalini's celebrity, influencer and content strengths will further turbocharge the group's D2C (direct to consumer) capabilities. With this acquisition, the Good Glamm Group now boasts a bouquet of India's largest digital media brands including POPxo, ScoopWhoop, BabyChakra and now MissMalini Entertainment. The Good Glamm Group's media division now generates over 3.5 billion monthly impressions and has over 150 million unique users placing the Group's digital reach amongst the largest for any e-commerce or digital media company in India.

"Malini (Agarwal) and I both started our own digital content ventures nearly a decade ago - and today as we welcome MissMalini to the Good Glamm Group - we have come full circle," said Priyanka Gill, co-founder, Good Glamm Group. "We are passionate believers in the might of digital content and with MissMalini's reach into the celebrity and influencer landscape will open up exciting avenues for the Good Glamm Group."

The Good Glamm Group has a large user base and reach digital and go-to-market omnichannel capabilities. This will help all of its group brands to successfully create, launch and market products in the beauty, skincare, personal care, male grooming and parenting categories. With this acquisition, Good Glamm Group is bringing onboard MissMalini's 5 business divisions. This includes MissMalini Media (multi-format original content and marketing), Girl Tribe by MissMalini (women's community platform), Ignite Edge (celebrity and talent management), Agent M Creative (Creative Agency) and MM Studios (video production house). These digital assets reach over 60 million people a month.

"This (acquisition) also marks yet another milestone for us as a group of partnering with audacious, bold entrepreneurs who create categories," said Naiyya Saggi, co-founder, Good Glamm Group.

Consortium led by RIL to buy bankrupt firm Sintex

A consortium led by Reliance Industries Ltd (RIL) is among companies seeking to acquire Sintex Industries Ltd, the bankrupt textile maker said in a stock exchange filing.

RIL has formed a partnership with Assets Care and Reconstruction Enterprises Ltd to bid for Sintex as part of the bankruptcy resolution process.

The other potential bidders are Easygo Textiles Pvt. Ltd of Welspun Group, GHCL Ltd, and Himatsingka Ventures Pvt. Ltd, along with Shrikant Himatsingka and Dinesh Kumar Himatsingka.

"The resolution plans received shall be evaluated by the interim resolution professional and then shall be placed before the committee of creditors for its further consideration," Sintex said in the filing.

This is the second bankrupt textile maker that RIL is trying to acquire.

In 2019, RIL and partner JM Financial Asset Reconstruction Co. Ltd acquired insolvent textiles player Alok Industries Ltd. The RIL-JM Financial ARC combine bid ₹5,000 crore for Alok Industries, which owed over ₹30,000 crore to 27 banks led by State Bank of India, Axis Bank, Corporation Bank and UCO Bank, among others.

Alok Industries has a factory each in Silvassa, Vapi, Navi Mumbai and Bhiwandi, which can produce up to 68,000 tonnes of cotton yarn and 170,000 tonnes of polyester annually.

Sintex was founded in the 1930s as Bharat Vijay Mills, a composite textile mill in Kalol, Gujarat. Forty years later, it was rebranded as Sintex Industries, a cotton yarn and fabric maker.

The bankrupt company's customers included top luxury names such as Hugo Boss AG, Diesel and Burberry, which have now also forged alliances with RIL's retail arm.

Sintex, according to an analyst, could fit well with RIL's plastics and textiles business.

"Sintex became a household name, thanks to its water tanks. But after it aggressively expanded its spinning business (which it forayed into in the 1990s) from around 25,000 spindles to a million spindles at its Kalol factory, trouble started brewing," said the analyst.

In 2017, Sintex demerged its plastic business into Sintex Plastics Technology to focus on its yarn business.

But by then, the textile industry saw many companies add spinning capacity, which impacted sales. The covid-19 pandemic dealt another blow to its business.

In April 2021, the Ahmedabad bench of National Company Law Tribunal (NCLT) admitted an insolvency process plea filed by Invesco Asset Management (India).

So far, claims totalling more than ₹7,500 crore from 27 financial creditors have been admitted. These include HDFC Bank, Axis Bank, Aditya Birla Finance, Life Insurance Corp. of India, and State Bank of India.

Kirloskar Ferrous acquires ISMT Ltd The deal – Sabka Sath Sabka Vikas

Anirudha Jain

Existing promoters of ISMT will continue as promoter with a call option with KFIL. This will provide additional comfort to KFIL, and they will be responsible for right sizing the operations & balance sheet.

Deal Snapshot

The Board of Directors of **ISMT Limited ("ISMT")**, at its meeting held on November 25, 2021, approved the issuance and allotment of 15,40,00,000 Equity Shares of ISMT to **Kirloskar Ferrous Industries Limited ("KFIL")**, representing 51.25% of the emerging voting capital of ISMT on preferential issue and private allotment basis amounting to ₹ 476 crore. Subsequently, shareholders of ISMT in their meeting approved the transaction.

KFIL and the existing promoters of ISMT i.e., Taneja Group also entered into a shareholders' agreement to record inter alia certain inter se rights and obligations. Further, KFIL will also provide an unsecured loan of Rs. 194 crores to ISMT as per the agreed terms.

As required by SEBI regulations, KFIL has made open offer to public shareholders up to 25.05% resultant voting capital of the company.

KFIL will fund the acquisition through internal accruals and through borrowing. The board of directors of KFIL approved raising of ₹750 crore through issue of listed non-convertible debenture.

Some of the Salient features of the deal:

- KFIL will be in sole control of ISMT and will be identified as and considered as the 'promoter.'

- A one-time settlement agreement is proposed to be entered into between ISMT, the Taneja Group and the Lenders for full and final settlement of all the borrowings. As on completion date, KFIL will acquire sole control of ISMT.

- Taneja Group will continue to be identified as 'promoters' of ISMT with a call option available with KFIL for acquiring their stake.

Retaining existing promoters as a promoter will not only provide a significant hand holding for KFIL which ultimately result in smooth transition but also ensure the responsibility of the existing promoters to settle all the litigations, divestment of non-core assets or any complexity present in ISMT. More importantly, through a call option, KFIL in future will reach maximum permissible holding in ISMT by acquiring desire stake from the current promoters without triggering open offer.

Making of ISMT Ltd ISMT has been started by ambitious technocrats as one of the finest and first seamless tube manufacturers in India using Aseel mill technology. ISMT Limited soon became an integrated company.

1. ISMT Ltd was incorporated on 29th July 1977 as 'The Indian Seamless Metal Tubes Limited' engaged in production of Seamless Tubes.

2. ISMT acquired two small companies (Balaji tubes Pvt Ltd and United Fluid Power Pvt Ltd) to provide some extra finishing capacity.

3. In 1992, the group promoted 'Indian Seamless Steels and Alloys Ltd.' to produce 1,50,000 MTPA alloy steel giving better control over product quality as well as deliveries.

4. In a move to reposition ISMT as an integrated precision seamless tube manufacture, The Indian Seamless Metal Tubes Ltd.' and 'Indian Seamless Steels and Alloys Ltd.' merged to form 'ISMT Ltd'

5. To expand its business, in 1999, ISMT merged into Kalyani Seamless Tubes Ltd., a competing Seamless Tube manufacturer with 90,000 MTPA capacity. The combined entity not only had a larger capacity but also a much wider size range (from 6 mm to 273 mm).

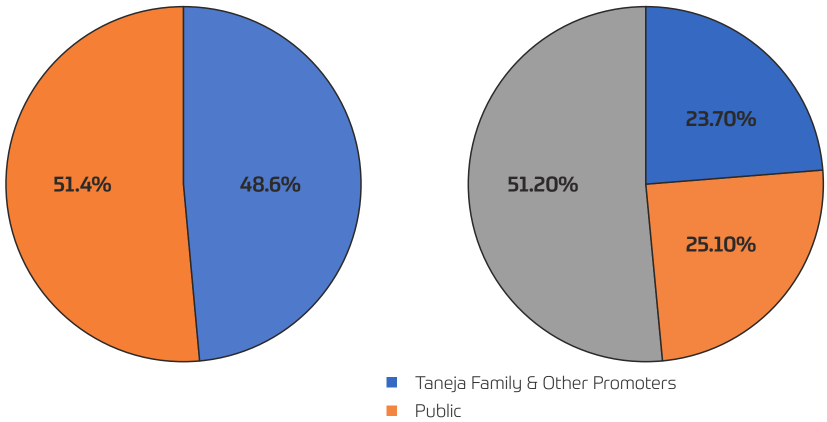
6. To expand its wings overseas, ISMT acquired Structo Hydraulics AB (based in Storfors, Sweden), supplier of tubes and

Infusion of Funds by KFIL in ISMT

Particular	Amount (INR in crore)
Equity Share Subscription (51.25% stake)	476
Unsecured Loan	194
Total	670

Shareholding Pattern:

Shareholding Pattern Pre & Post Transaction



Source: Company's Annual Reports and Presentation

*KFIL stake will further increase to the extent of equity shares acquired in open offer.

Despite having all the necessary ingredients to grow, the promoter's aspiration to diversify into various businesses snubbed its core business.

engineering products for the hydraulic cylinder industry.

7. ISMT also added a PQF Mill.

8. It also commissioned 40 MW Captive Power Plant located at Chandrapur district (Maharashtra) which later turned un-operational due to non-availability of coal & denial of energy banking facilities.

9. Tridem Port and Power Company Private Limited the wholly owned subsidiary of ISMT, along with its subsidiaries had proposed to set up a thermal power project and captive port in Tamil Nadu. TPPCL had obtained the approvals for the projects including acquisition of land but failed to commercialise.

Meanwhile, the group incorporated Taneja Aerospace and Aviation Limited which engaged in aircraft manufacture and maintenance, Airfield services, Air charter and Engineering design services etc. The group also incorporated Non-Banking Finance Company, Indian Seamless Financial Services Ltd. This has resulted in lack of focus in terms of the management time and group resources on its core company, ISMT.

Group's engagement into multiple unrelated businesses coupled with ISMT's investment into non-core business started a roller coaster ride for the group as well as ISMT. The finest seamless tube manufacturer soon attracted problems from everywhere. Its aspiration to expand its wing into multiple businesses and foray into foreign acquisition, power and port without having management bandwidth and talent to integrate lead to destruction of value even of its core business. Changing economy scenario, large scale imports from China and strong competitors destroyed its margin in its core business coupled with huge finance cost made impossible to generate enough cash flow to meet its interest and debt repayment liabilities. On one hand, the debt has started piling up while on other it faced multiple business problems.

As finance cost became higher than its operational profits, in 2015, ISMT approached the bankers for

ISMT's vision of becoming an integrated seamless pipe company had been achieved by the multiple M&A activities. However, on account of multiple reasons, it didn't manage to reap benefit of being an integrated company.

restructuring of its debt. Apart from this, ISMT also started to divest some of its non-core assets and infusing equity in the company. In 2019, Lead Bank Indian Overseas Bank and other major Banks aggregating to about 71% assigned their debt to Asset Restructuring Company's with ARCIL acquiring most of this debt. ARCIL initiated the process for restructuring the debt. However, nothing really fructifies for the company.

Finally, 2021, ISMT received an offer from Kirloskar Ferrous Industries Limited to acquire 51.25% of emerging share capital of the company followed by the open offer.

Kirloskar Ferrous Industries Limited (KFIL), a part of Pune based Kirloskar group, is engaged in the business of manufacturing pig iron and grey iron castings. The equity shares are listed on BSE & NSE. KFIL end product is used by ISMT to manufacture seamless tubes. In FY 21, KFIL had supplied total raw materials of ₹ 34.53 crores to ISMT.

KFIL is trying to expand its business. Last year, the company announced acquisition of pig iron plant from VSL Steel Limited. ISMT acquisition will open multiple doors for KFIL.

Apart from acquisition of one of the finest seamless pipe plants, KFIL will also get entry into a steel business. This will emerge as having presence in entire value chain for KFIL.

What next?

Despite being one of the finest seamless tube manufacturers in India, ISMT plant is operating partially. The immediate target for KFIL will be to achieve better capacity utilisation and focusing on cost reduction. The management on con-call confirmed that significant reduction of power cost and other operating costs is feasible, and they will start working on the same immediately. Post one time settlement, finance cost will reduce significantly.

As the net worth of ISMT will turn positive, ISMT may re-foray into government contracts which it was not able to bid due to its negative net worth. KFIL will also look to enter various value-added products and try to evaluate a cross-selling opportunities.

Post-right sizing the balance sheet and operations, KFIL will evaluate the possibility of merging ISMT with itself. No doubt, KFIL must integrate operations of ISMT with KFIL to capture substantial synergies.

Financial Snapshot of ISMT Ltd.

All Figs in ₹ Crores

	2011	2013	2015	2018	2021
Revenue	1,752	1,620	1,522	1,568	1,299
EBITDA	288	101	119	90	35
Finance Cost	95	157	230	276	263
Networth	599	430	243	-646	-1,457
Borrowings	1,107	[illegible]	1,491	[illegible]	[illegible]

Chart: www.mnacritique.com • Source: Company's Annual Reports •

Our thoughts on Alternative Structure:

One alternative for Kirloskar Group may be to subscribe to the shares of ISMT Ltd through Kirloskar Industries Limited (KIL) or its special purpose vehicle. This alternate structure will lead to increased stake for promoter post-merger of ISMT with KFIL and may be more tax efficient. However, in the process, the paid-up capital of KFIL would have been higher. This would have also enabled to capture more value for the promoters of upside from acquisition price which in fact already twice of acquisition price.

Apart from operational efficiency in acquiring through KFIL, the probable reason for not acquiring through KIL directly could be, KIL being core-investment company, raising outside funds may be not allowed. However, this could have been mitigated through an acquisition using a special purpose vehicle.

Acquisition through NCLT or without NCLT

With the introduction of Insolvency & Bankruptcy Code, lot of good companies who were debt trapped got a chance to revive their fortunes. The systematic & time bound process expedited the recoveries for stakeholders and was able to turnaround the companies within short span. However, the other alternative to the process emerging is takeover before going to National Company Law Tribunal (NCLT) through one-time settlement with lenders under Reserve Bank of India circular.

KFIL acquisition of debt laden ISMT before initiating the proceeding under Insolvency & Bankruptcy Code, provides multiple advantages. This way not only reduces the time but also simplify the process. More importantly, it provides flexibility for the existing promoters to continue or exit which in turn provides opportunity for promoters to gain through share price increase.

Impact of Acquisition on KFIL Financials

Financials of KFIL for year ended on 31st March 2021 and as on 30th September, 2021 are as follow:

With the acquisition of ISMT, the debt of KFIL will increase by circa INR 750 crore

INR in crore

Particular	FY 2021	H1 FY 2022
Revenue	2040	1781
EBITDA	464	398
EBITDA %	22.7%	22.3%
PAT	302	259
PAT	14.8%	14.5%
Networth	999	1218
Borrowings	290	210

and it will have to bear the cost of such debt till merger of both operating companies are done. However, considering the H1FY 2022 EBITDA of KFIL, ISMT acquisition price will be lessor than one year EBITDA.

More importantly, there are non-core assets available with ISMT. Going ahead, KFIL will try to divest them. The money realised through the divestment can be significant leading to further value creation.

Tentative Balance Sheet of ISMT & KFIL

INR in crore

Particular	KFIL		ISMT	
	Pre (as on 30th Sep 2021)	Post ISMT Acquisition	Pre (as on 30th Sep 2021)	Post takeover by KFIL
Share Capital	69	69	73	150
Reserves	1149	1149	-1637	1693[iii]
Networth	1218	1218	-1564	1843
Circa Borrowings	208	958[i]	3600	394[iv]
Investment in ISMT (loan +Equity)	NIL	671[ii]	-	-

i: KFI will raise INR 750 crore through issue of NCD.

ii: Excluding any acquisition of shares through open offer.

iii: Assuming borrowings of INR 3600 crore gets settled for INR 670 crore.

iv: INR 194 crore loan from KFIL & circa additional INR 200 crroe loan

KFIL moves to acquire ISMT otherwise than through NCLT route seems to be win-win for all stakeholders and more so for shareholders including existing promotor shareholders of ISMT. Through this route, integration and settlement will be much faster as against in NCLT route as it takes at least a year, provided there are no litigations and hurdles. The lenders get its settled amount almost immediately. other stakeholders like employees, customers and suppliers will also have certainty and better future. Costly assets and facilities created over last forty years will be utilised by the new competent management to generate substantial value for all concerned.

Controlling mergers in digital markets a challenge: CCI chief Ashok Gupta

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Regulators have it tough when assessing mergers in a digital economy as large platforms can possibly collect complementary data to reinforce their market position, said Ashok Gupta, chairman of the Competition Commission of India (CCI).

"Since not all digital markets are alike, nor is all data, interventions in merger reviews in technology markets need to be guided by case-specific economic evidence of competition concerns," he said at a conference by the Confederation of Indian Industry, calling data a crucial factor for economic power and for judging market power on the internet.

Since the pandemic, the antitrust regulator has decided 140 merger filings in sectors as diverse as financial markets, pharmaceuticals, healthcare, power and digital markets.

Gupta said CCI has seen a steady rise in cases emanating from new-age markets, which range from across the verticals, such as search engines, online marketplace platforms, app stores, payment gateways, online travel, food aggregators, cab aggregators and social networking.

"Such cases involving search bias, predatory pricing, deep discounting, self-preferencing and leveraging have a direct interface with competition law regime," Gupta said.

Gupta has said before that data hegemony by digital companies may lead to an "attention economy", in which big technology players capture user attention, build profiles of their choices and habits and then sell those profiles to advertisers.

"This will help make timely interventions and strike a fine balance so that efficiency and innovation are not stifled and markets remain free from anti-competitive practices," Gupta added.

The CCI is in the process of introducing a confidentiality regime to align itself with the best global practices in consultation with stakeholders.

In its proposal, CCI has said that parties seek access to confidential versions of the submissions, filings or director general report by other parties so as to effectively present their cases citing principles of natural justice which the Commission is mandated to observe. "Many such cases result in litigation putting the investigation or inquiry in limbo defeating the very purpose of correcting the markets in a swift manner."

Reliance Commercial Finance debt holders okay sale to Authum Investment

Debt holders of the Anil Ambani-promoted Reliance Commercial Finance Ltd (RCFL) have voted in favour of the takeover of the company by Authum Investment & Infrastructure, two people familiar with the development said.

However, the implementation of the resolution plan will be subject to the Bombay High Court order, which is scheduled to hear the court next on December 16. The court had ordered the balloting, scheduled for December 8, to go ahead.

"The voting lines closed last evening and according to the results which are not yet public, just above 75% of those that voted have supported the plan. However, it is too

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early to say whether this will be enough to implement the resolution as the matter is still in court," said a person familiar with the vote.

A division bench of the Bombay High Court had refused to stay the vote slated for December 8 to vet lenders' selection of a preferred bidder for the Reliance Capital subsidiary.

The Securities and Exchange Board of India (SEBI), the regulator for bondholders, had sought the stay, after a single-judge bench of the high court in October ruled that the voting can be held based on the trust deed signed by the bondholders. The deed signed as per central bank guidelines expects only 75% of the bondholders to vote, but Sebi's rule says all debenture holders must participate in such proposals.

Lenders to RCFL have already approved the resolution plan by Authum on July 15 2021. RCFL owed creditors more than Rs 9,000 crore and Authum has offered Rs 1,240 crore which meant an 86% write-off for the creditors.

The vote by bondholders is a forward step in the resolution of the company but is still subject to court orders. On Monday while refusing to stay the vote, the division bench had directed the parties to file written submissions in the court by December 12. The next date of hearing is December 16.

"Not all debenture holders have voted which the regulator may point out to in the next hearing. Also, out of the bond holders who voted just more than 75% have given an okay which is slightly above the necessary majority. All these points will be looked at by the court because SEBI will not allow this to go through without presenting its side of the argument," said the person cited above.

Vistra ITCL, the trustee for the bondholders, had delayed the vote till the court order because of the Sebi rule.

Bondholders own more than 90% of the debt in RCFL, and a majority of that is held by banks and financial institutions.

The RCFL debt resolution could have an impact on the insolvency process of Reliance Capital, initiated by the RBI on November 29. Bankers are hoping that the resolution process, which has gone on for close to two years, is not derailed.

MyGate acquires group buying platform MyCommunity Genie for cash and stocks

Security and community management start-up MyGate has acquired MyCommunity Genie, a Bengaluru-based social commerce platform, in a part-cash, part-equity deal.

MyCommunity Genie enables group buying and has over 150 sellers on its platform across Bengaluru. It allows residents in an area to come together and buy as a group to unlock higher savings for all, using an adaptive discounting model. For sellers, in addition to delivering high-value, single-destination orders, the platform also solves numerous operational pain points with regard to procurement, packaging, delivery and payments. Following the acquisition, all MyCommunity Genie systems will be integrated into MyGate.

The acquisition would allow MyGate to scale its community commerce segment and bring group buying to more than 25,000 communities on its platform.

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Abhishek Kumar, Co-founder and COO of MyGate said, "We are big believers in the power of group buying and community commerce. There is immense potential in the space, with greater savings for residents and larger volumes for sellers."

According to a report by Redseer, the 16 million or 6 per cent Indians that live in gated communities account for $245 billion or 45 per cent of national consumption currently and will account for $500 billion by 2026. The report further estimates that community apps are poised to capture a $35 billion market via community commerce. MyGate is the market leader in the space, with an 82 per cent share.

NCLT allows withdrawal of insolvency proceedings against MGF Developments

The National Company Law Tribunal (NCLT) has allowed the withdrawal of insolvency proceedings against real estate firm MGF Developments after the company reached a settlement with the homebuyers who had dragged the company to NCLT.

"Having gone through all the documents and hearing the submissions, we are satisfied that it is a fit case for grant of relief," NCLT said in the order.

NCLT had initiated insolvency proceedings against MGF on an application under Section 7 of the IBC Code, 2016 filed by The Vilas Condominium Association consisting of homebuyers having 327 units allotted in the name of members of the association.

According to the NCLT order, the parties have entered into an amicable Settlement on December 2, and in terms of which amounts have been received by the financial creditor.

"Counsel for the corporate debtor as well as counsel for the financial creditor have confirmed that all the cheque have since been encashed and nothing is payable towards IFMS claimed by the financial creditor under the main petition," the NCLT said.

The IP has also confirmed that he has received full and final settlement of his dues towards the remuneration in the matter from the corporate debtor and there remains nothing payable to him. He also confirmed that the Committee of Creditors (COC) has not been constituted in the matter till date.

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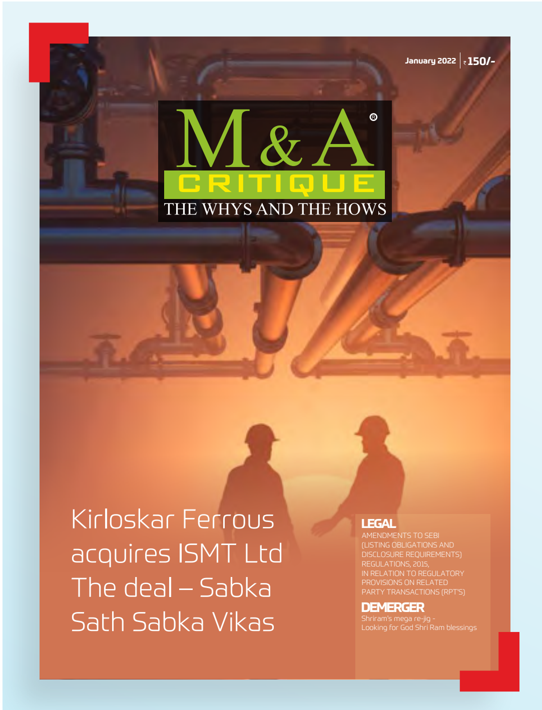

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3G Capital to acquire majority stake in Hunter Douglas

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Private equity firm 3G Capital entered into an agreement to acquire controlling interest in Hunter Douglas NV for an enterprise value of about $7.1 billion, the companies said in a joint statement.

The transaction values the ordinary shares of Hunter Douglas at 175 Euros ($198.21) per ordinary share, the company said in statement.

The Ordinary Share Price represents a 73% premium to Hunter Douglas' closing ordinary share price on Dec. 30, 2021 of €101.40 and a 64% premium to Hunter Douglas' all-time high closing ordinary share price of €106.40.

Hunter Douglas Group Co-President and Co-CEO David Sonnenberg, will transition to executive chairman of the board of directors and João Castro Neves, a senior partner at 3G Capital, is expected to serve as the company CEO upon completion of the transaction, it said.

Brazilian insurer SulAmerica acquires Sompo Saude for $40 mln

Brazilian insurer SulAmerica SA has reached a deal to acquire 100% of Sompo Saude, a subsidiary of Japan's Sompo Holdings Inc in Brazil, it said in a securities filing, sending its shares nearly 3% higher.

SulAmerica agreed to pay 230 million reais ($40.33 million) for Sompo, the filing said. The Brazilian insurer said the move was part of a strategy to grow its local health and dental insurance business.

Sompo Saude has 116,000 clients in Brazil, mainly in the state of Sao Paulo, according to SulAmerica.

SulAmerica expects to obtain an additional 650 million reais per year in revenue from the acquisition, it said, adding that it also sees cost savings arising from the transaction, without elaborating.

"This important strategic step will also allow us to improve our market share in our core business in a relevant region," SulAmerica's Chief Executive Ricardo Bottas said in a separate statement sent to Reuters.

Shares in SulAmerica were up 2.6% at 26.38 reais in morning trading in Sao Paulo, outpacing a 0.45% rise on the broader Bovespa index.

Analysts at Guide Investimentos said the acquisition was positive for SulAmerica, noting it reinforces the company's position in the city of Sao Paulo and its metropolitan area, while also enhancing its growth plans.

The deal still requires approval from Brazilian regulatory bodies.

Newspaper Valor Economico was first to report on the acquisition.

Darling Ingredients to buy Valley Proteins for about $1.1 billion

Sustainable food processing firm Darling Ingredients Inc said it had agreed to buy Valley Proteins Inc, a startup focused on collection and recycling of waste, for about $1.1 billion in an all-cash deal.

The acquisition will provide Darling Ingredients with additional low-carbon feedstock to produce renewable diesel and potentially sustainable aviation fuel, the company said.

Darling Ingredients is a producer of renewable clean energy and collects waste streams from the agri-food industry, repurposed into specialty ingredients including animal proteins and meals, plasma, pet food and green bioenergy.

Climate awareness and investor interest in sustainable business practices have surged this year, with companies and investors looking to factor in environmental social governance (ESG) policies.

Earlier this month, packaging products provider Sonoco Products Co said it would buy sustainable metal packaging maker Ball Metalpack for $1.35 billion to expand its sustainable packing portfolio.

FactSet to buy Cusip from S&P for $1.9 billion in open-data push

FactSet Research Systems Inc., a financial data supplier, agreed to buy S&P Global Inc.'s Cusip Global Services for $1.9 billion in cash to gain data elements for new financial instruments.

FactSet said the planned purchase of the securities-identification data firm will help advance its open data strategy in a statement.

S&P is selling Cusip and other businesses to gain regulatory approval for its $39 billion takeover of IHS Markit Ltd. To ease competition concerns, IHS also agreed to sell its Base Chemicals business to News Corp. for $295 million.

Cusip is the exclusive provider of CUSIP and CINS identifiers globally, and it acts as the official numbering agency for ISIN identifiers in the U.S.

FactSet will fund the transaction through a combination of cash on hand and committed financing. The deal is expected to close in the first quarter.

FactSet is a competitor of Bloomberg LP, the parent company of Bloomberg News.

Jordan's Capital Bank plans to acquire Societe Generale Bank Jordan – Chairman

The board of Jordan's Capital Bank approved a mandatory offer to acquire Societe Generale Bank Jordan (SGBJ), part of a drive to expand the bank's foothold regionally and domestically, its chairman said on Sunday.

Bassem Al Salem told Reuters an extraordinary general meeting had also agreed to issue $100 million in perpetual bonds - meaning they have no maturity - to help drive growth.

The bonds, the first such debt to be issued by a Jordanian bank, and the takeover move are subject to approval by regulatory authorities and the Central Bank of Jordan, Al Salem said.

The planned acquisition of SGBJ, a fully licenced Jordanian bank with 100 million dinars ($140 million) in capital, was expected to be finalised in the next few months, Al Salem added.

"This move will help support the future plans of the bank to grow and reflects the strength of its financial situation," he said.

SGBJ is 87.7% owned by Societe Generale de Banque au Liban, according to the latest information on SGBJ's website.

Jordan Capital Bank earlier this year completed its acquisition of Lebanese Bank Audi's businesses in Iraq and Jordan in a move to diversify and expand its regional operations.

The bank is also pursuing expansion in Iraq via its 62% majority shareholding in the National Bank of Iraq, a retail bank whose assets have almost doubled within a year to $1.1 billion, Al Salem said.

Jordan Capital Bank received approval from the Saudi cabinet to open a branch of the National Bank of Iraq in the oil-rich country, which would boost trade finance among the three neighbouring countries, Al Salem said.

Assets of Jordan Capital Bank, whose shareholders include the country's main industrialists and businesses, have grown 45% since so far this year to around $6 billion, the senior banker said.

The leading corporate bank has in recent years expanded to serve small and medium-sized companies and retail customers.

Fluor's nuclear energy unit NuScale to go public via $1.9 bln SPAC deal

Fluor Corporation said on Tuesday its nuclear energy unit NuScale Power plans to go public by merging with a blank-check firm in a deal that values the combined entity at $1.9 billion, including debt.

NuScale, which offers nuclear technology solutions for the production of electricity, heat and clean water, is the latest firm looking to cash in on the spurt in clean energy demand amid a rising awareness about climate change.

Footprint, a company that provides plant-based alternatives to plastic, said earlier on Tuesday it would go public by merging with a blank-check firm led by billionaire Alec Gores.

Fluor said the deal with Spring Valley Acquisition Corp, a special purpose acquisition company, would provide NuScale with $413 million in gross proceeds. That includes a private investment in public equity (PIPE) of about $181 million anchored by Samsung C&T Corporation, DS Private Equity, Segra Capital Management and Pearl Energy.

Special purpose acquisition companies, or SPACs, are publicly-traded shell companies that merge with an unlisted company to take it public.

NuScale intends to use the funds from the deal to scale up its commercial products, including small modular nuclear reactor technology. It also expects the proceeds to help it become cash flow positive.

After the deal closes, the new company named NuScale Power Corporation will list on the Nasdaq under the ticker symbol "SMR". Fluor expects to own 60% of the combined company.

Pfizer to acquire Arena Pharmaceuticals at 100% premium in $6.7-bn deal

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Pfizer Inc. agreed to buy Arena Pharmaceuticals Inc. in a deal valued at about $6.7 billion, gaining potential therapies targeting immuno-inflammatory diseases.

The U.S. drugmaker will pay $100 a share in an all-cash transaction for San Diego-based Arena, bringing assets in gastroenterology, dermatology and cardiology. That's about double Arena's Friday closing price.

Pfizer, collaborator with BioNTech SE on the widely used Comirnaty Covid-19 vaccine, said the deal complements its capabilities in inflammation and immunology and will contribute to growth through 2025 and beyond.

Pfizer plans to speed up clinical development of etrasimod, Arena's experimental treatment for immuno-inflammatory diseases, said Mike Gladstone, global president and general manager of the drugmaker's inflammation and immunology business.

Arena surged 95% in U.S. pre-market trading. The boards of both companies have unanimously approved the transaction.

Triller owner in merger talks to go public – source

TrillerNet, the owner of short video app Triller, is in talks to go public through a merger with Seachange International Inc. (SEAC.O), according to a person familiar with the matter.

As part of the deal, investors have committed to invest $250 million at a valuation for TrillerNet of $5.1 billion, according to the person.

The transaction could be announced as soon as this week, said the person, who asked not to be identified because the deliberations are confidential. The source cautioned that talks could fall apart at the last minute.

Launched in 2015, Triller has been diversifying beyond short video apps to live events, mobile gaming and pay-per-view streaming. In a sign it no longer views itself as a direct competitor to TikTok, Triller stopped reporting daily or monthly active users for its short video app.

TrillerNet said earlier this year it has more than 300 million users worldwide across its platforms. It has been on an acquisition spree in recent months, snapping up livestreaming music platform Verzuz, combat sports game streaming service Fite TV and marketing platform Amplify.ai.

TrillerNet also owns Triller Fight Club, a live-event platform in partnership with rapper Snoop Dogg and operates TrillerTV, a long-form content streaming platform with more than 65 original shows.

TrillerNet's projected revenue for 2021 is more than $250 million, TrillerNet's CFO Paul Kahn told Reuters in April.

Acton, Massachusetts-based Seachange is a provider of video delivery, advertising, and streaming platforms. It has a market capitalization of $84 million.

Firstsource Solutions acquires American Recovery Services

Firstsource Solutions said it has entered into an agreement to acquire American Recovery Services Inc (ARSI), a nationwide legal collections network headquartered in Southern California.

The acquisition enhances Firstsource's leadership in consumer debt management services by adding legal stage collections capabilities, Firstsource said in a regulatory filing.

"The debt collections market is a significant part of the consumer credit ecosystem with evolving regulatory demands. Both ARSI and Firstsource are pioneers in driving best-in-class debt recovery compliance, using advanced technology and emphasising a positive consumer experience," it added.

ASRI has provided legal collection services for over three decades through its nationwide partner network and in-house experts.

"By adding ASRI's deep domain expertise to their portfolio of services, Firstsource will now be able to help clients navigate the more complex legal collections process, all from under one roof," it said.

Firstsource Solutions is a global provider of business process management (BPM) services and a RP-Sanjiv Goenka Group company.

Tech Mahindra to acquire 100% stake in US-based Allyis Group

IT major Tech Mahindra announced that the company approved the proposal to acquire 100% equity shares in Allyis India Private Limited and the company's wholly-owned subsidiary viz., Tech Mahindra (Americas) Inc approved the proposal to acquire 100% equity shares in Green Investments LLC.

Allyis India Pvt Ltd and Green Investments LLC, holding company for Allyis Group, which is headquartered in Seattle, USA and has more than 660 employees. For the financial year ending 31st December, 2020, the company had revenue of $39.6 million.

Tech Mahindra will pay total consideration of up to $125 million including employment related and performance related earnouts.

“The acquisition will bolster Tech Mahindra's capabilities in: Digital Experience Solutions: Learning & Development, Marketing, Instructional Design; Engineering: Cloud & Automation, BI & Analytics, Technical support services," the IT giant said in an exchange filing today.

Allyis offers technology consulting and managed services that help organizations reduce costs, improve performance, and meet their unique objectives. While Allyis India Pvt Ltd was incorporated in 2018 Green Investments LLC was incorporated in 2013.

Natco board approves proposal to acquire US-based pharma company

Natco Pharma said its board has approved a proposal to acquire US-based Dash Pharmaceuticals LLC for a cash consideration of USD 18 million.

The company's board has approved to acquire Dash

Pharmaceuticals through one of its subsidiary units, the drugmaker said in a regulatory filing.

Natco, through its affiliates, is proposing to enter into an agreement to acquire Dash Pharmaceuticals subject to the satisfactory completion of due diligence, execution of definitive agreements, and compliance with statutory requirements, it added.

Dash is a front-end pharmaceutical sales, marketing and distribution entity based in New Jersey, USA, which is expected to have around net sales of USD 15 million for the year ending December 2021.

This acquisition will provide the company with a front-end to engage with its customers directly in the US, which is the largest pharmaceutical market in the world, Natco Pharma noted.

Singapore's Keppel to acquire Shell-backed Cleantech Solar

Singapore based Keppel Corporation will acquire Royal Dutch Shell-backed solar power producer Cleantech Solar Energy. Keppel will invest $150 million to acquire 51% stake in the holding company.

A consortium of Keppel Corporation Limited, Keppel Asia Infrastructure Fund LP (KAIF) and a co-investor of KAIF, through Cloud Alpha Pte Ltd 1, is acquiring a 51% equity interest in Cleantech Renewable Assets from Cleantech Energy Corporation (the Founders' Group), according to a Keppel press statement.

The remaining 49% of the equity interest in Cleantech is held by its existing shareholder, Shell Eastern Petroleum (Pte) Ltd. Keppel will invest $150 million to acquire 51% stake in the holding company, held by promoter Raju Shukla, said sources aware of the development.

A pan-Asia supplier of renewable energy, Cleantech Solar has a 600-megawatt (MW) portfolio under various stages of development across India, Indonesia, Cambodia, Malaysia, Thailand, Vietnam and Singapore. Shell Eastern Petroleum (Pte) Ltd had acquired a 49% stake in Cleantech Solar in 2019.

"It is indeed a matter of great pride that we now have the backing from Keppel Corporation and Shell – two world leading corporations with long term commitment to renewable energy, sustainability, and Net Zero emissions. Cleantech is targeting to achieve a cumulative generation capacity of 3 GW within five years," said Raju Shukla, Founder and CEO of Cleantech Solar.

"Through acquiring a majority stake in an established platform together with KAIF and a like-minded investor, we would be able to accelerate Keppel's growth in the renewables space, as we work towards achieving and surpassing our target of 7GW of renewable energy assets by 2030," said Loh Chin Hua, CEO of Keppel.

Keppel Renewable Energy Pte Ltd, a wholly-owned subsidiary of Keppel Corporation, undertakes the development and operation of renewable energy infrastructure. In line with Keppel Corporation's longer-term target of growing its portfolio of renewable energy to 7GW by 2030, KRE plans to have 3GW of installed capacity by the end of 2025, according to a company website.

Founded in 2015, Singapore headquartered Cleantech Solar is focused on installing high quality rooftop photovoltaic projects. Major clients include Apollo Tyres, Bosch Automotive, Cargill, Tata Steel, Akzo Nobel, Coca-Cola, Siam Winery and Unilever.

In India, Cleantech Solar competes with Cleanmax Enviro

Energy and Petronas-owned Amplus Solar.

Recently, Cleantech had secured Rs200 crore from infrastructure debt fund NIIF Infrastructure Finance Limited (NIIF IFL) for the company's portfolio of Open Access projects in India. Last year, the company had a green loan of $75 million from ING bank and also has loan facilities from SBI-World Bank and Tata Cleantech Capital.

Climate Fund Managers (CFM), the climate-dedicated investment manager, had invested $50 million in 2018 in Cleantech Solar.

At present, India's installed renewable energy capacity is about 95 GW, including 40.5 GW of solar power. The country's renewable energy capacity addition is expected to be 10.5-11 GW in financial year 2021-22, led by a strong project pipeline of about 38 GW, according to ratings firm ICRA.

The sector is expected to witness investments of Rs 3.5 lakh crore over the next four years, increasing its share to 34% of the overall installed power generation capacity by March 2025 from 25% in March 2021, led by the solar power segment, the report added.

In 2015, the government had declared an ambitious target of 175 GW from renewables by 2022.

Managed services firm Prodapt buys UK-based SLR Dynamics for unknown sum

Chennai-based tech consulting and managed services provider Prodapt has said that it acquired SLR Dynamics, a UK-based company focussed on digital engineering and automation services in the TMT industry.

SLR Dynamics counts leading European and African telcos as customers. This is Prodapt's second acquisition for the year following its acquisition of Silicon Valley-based Innovative Logic in August.

The acquisition of SLR Dynamics will strengthen Prodapt's leadership position in the connectedness vertical. With the TMT industry accelerating digital transformation journeys using technologies.

“I am excited to welcome the SLR Dynamics team to the Prodapt family,” said Vedant Jhaver, Chairman and chief executive officer, Prodapt. “The capabilities of SLR Dynamics in Cloud, Security, IoT and Product design will play an important role as Prodapt continues to become the preferred digital transformation partner to the enablers of hyper-connectivity,” he added.

This acquisition will also result in protecting over 100 jobs at SLR Dynamics. Over the next three years, Prodapt plans to grow the UK team by adding 400-500 employees with a plan to invest GBP 50 million.

“Prodapt's decision to pick the UK as its investment destination of choice is a vote of confidence in the UK economy and demonstrates the strength of UK and India's bilateral relationship. We look forward to working together closely to bring high-value jobs and economic growth to every corner of the UK as we build back stronger from the pandemic,” said Gerry Grimstone, British investment minister.

Founded in 2009 to accelerate the adoption of a unified communications (UC) offering, SLR Dynamics has forged ahead and boasts an enviable client roster. SLR Dynamics has successfully executed multiple complex programs across UC, SDN/NFV, Cloud, Security, IoT and Mobile Money.

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"SLR Dynamics has always focussed on building teams with deep domain knowledge and delivering high-quality services to our customers," said Salim Raza, CEO, SLR Dynamics. "Joining Prodapt will enable us to offer much deeper capabilities, take on larger engagements and deliver significantly enhanced value to our global telecom customers."

Alembic Pharma buys stake in US biotech RIGImmune

Alembic Pharma announced that it has made a strategic investment in RIGImmune, a biopharmaceutical research company co-founded by two prominent Yale University professors that's focused on the development of novel treatments for RNA viruses.

Alembic said it has acquired preferred stock in RIGImmune amounting to a 19.97% post-money stake in the first closing of the series seed round that was completed recently.

The biotech was founded by Dr. Anna Pyle and Dr. Akiko Iwasaki is focused on the development of RNA based therapies for viral diseases and oncology applications by targeting the innate immune target, RIG-I.

RIGImmune will utilize the proceeds of the series seed round to further the development of therapeutic oligonucleotides developed by Pyle and Iwasaki.

Both Pyle and Iwasaki were professors at Yale University and are investigators for the Howard Hughes Medical Institute. They were considered pioneers in the field of immunology.

"We are very excited to make this investment in RIGImmune Inc., a company founded by two of the world's leading scientists in innate immunity and RNA based therapies," said Pranav Amin, MD of Alembic.

"Apart from pursuing internal projects, we believe we can accelerate our efforts by making strategic investments in companies that are leaders in their field and this investment marks the beginning for us," Amin said.

"We are delighted to have Alembic, a global pharmaceutical development firm, as a major participant in the seed financing round for RIGImmune," said Martin Driscoll, Chairman of the Board of Directors for RIGImmune.

"We look forward to working with the Alembic team as we advance our novel stem loop RNA therapeutics as potential treatments for patients suffering from viral diseases and cancer," Driscoll said.

Byju's acquires Austria's math platform GeoGebra in $100 million deal

Edtech major Byju's said it has acquired Austria-headquartered GeoGebra that runs an interactive mathematics learning tool with a community of over 100 million learners spread across some 195 countries.

The deal, through a mix of cash and stock component, is said to be $100 million in size, people briefed on the matter said.

GeoGebra will continue to operate as an independent unit under the leadership of its founder and developer Markus Hohenwarter, it said.

Byju's said this acquisition complements its overall

product strategy and will help create new product offerings and learning formats to its existing mathematics portfolio.

"At Byju's, with the help of innovative teaching and technology, we have been making math fun, visual, and engaging. And with GeoGebra on board, we will continue to further enhance, reimagine and transform the way Math is taught and learned," its chief strategy officer Anita Kishore said.

Delhivery acquires Transition Robotics Inc

New age logistics services provider Delhivery has acquired California-based Transition Robotics Inc, which develops Unmanned Aerial System (UAS) platforms.
"All IP registered in the US is assigned to Delhivery with this transaction, strengthening its capabilities in a wide range of applications, including aerial photography, remote sensing, inspection, and surveys," the IPO-bound company said.

This is Delhivery's second acquisition after Spoton Logistics in August for $300 million. That was done to strengthen its business-to-business (B2B) capabilities.

Last month, Delhivery filed its draft prospectus with the Securities and Exchange Board of India (Sebi) for a Rs 7,460 crore initial public offering (IPO).

TRI "seeks to unlock new markets and applications for its customers and has a proven track record of shepherding innovative concepts to production," Delhivery said in a statement.

The Santa Cruz-based company brings a decade of deep experience in all aspects of small UAS, from hardware and software design to testing, validation, and manufacturing.

"While we continue to build our supply chain platform, we must look at the long-term developments poised to shape the industry. Bringing TRI onboard gives us a chance to get directly involved with core drone technology as regulations and use cases for drones are evolving in the country," said Kapil Bharati, chief technology officer, Delhivery.

With its nationwide network covering over 17,000 pin codes, Delhivery provides logistics services such as express parcel transportation, PTL, and TL freight, cross-border, supply chain, and technology services.

It says it has successfully fulfilled over 1 billion shipments since inception and currently works with over 21,000 customers.

The 10-year-old company gets the majority of its business from e-commerce deliveries but has started expanding in the B2B segment as well. It works across sectors like consumer electronics, fashion, FMCG, and select industrial sectors like auto.

"We are excited to join the Delhivery team and combine our experience in developing UAS solutions with Delhivery's ability to quickly deploy and operate technology at scale. We believe our core technology and expertise is a great addition to Delhivery's fully-integrated approach to logistics and are looking forward to being a part of its future," said Jeff Gibboney, co-founder, TRI.

Founded in 2011, TRI has focused on taking vertical take-off UAS with advanced flight capabilities to market.

HCL Tech, apoBank to acquire German IT Consulting firm

IT firm HCL Technologies and Deutsche Apotheker- und Ärztebank eG (apoBank) - the largest cooperative primary bank in Germany - have signed an agreement to acquire IT consulting company Gesellschaft für Banksysteme GmbH (gbs).

Post-closing, HCL Technologies will own 51% while apoBank will own 49% stake of gbs, a statement said.

The total purchase price is €99,000 (about ₹84.4 lakh). The transaction is expected to close in January 2022, subject to closing conditions, including regulatory approvals, it added. apoBank is currently a 10% shareholder and is increasing its stake in gbs from 10% to 49%, it said.

"With this acquisition, the company (HCL Technologies) would get access to German Co-operative banking sector which has about 30% retail funds under management in Germany, augment local financial services IT expertise, and enhance HCL's digital transformation capabilities," a regulatory filing said.

The company will also be strategic partner of apoBank to deliver IT services leveraging domain strength, it added.

This collaboration is in line with HCL Technologies' investments in a local delivery model supported by a highly skilled German workforce. Revenue of gbs for CY21 is expected to be €4.1 million. It has 60 employees.

“Germany is one of the largest economies in Europe and is, therefore, a strategic region for HCL. We're excited to welcome gbs to HCL and look forward to playing a significant role in shaping the digital transformation journey and providing next-generation services to our German clients leveraging Fenix 2.0 (HCL's digital transformation framework)," Sudip Lahiri, Senior Vice President and Head of Financial Services (Europe) at HCL Technologies, said.

There's a great alignment between both organisations and together with gbs, HCL will further augment expertise in the financial services portfolio which will expand footprint in the region, he added.

“HCL's innovative delivery models and financial services expertise, along with gbs' knowledge of the cooperative banking sector, local IT and regulatory requirements is a winning combination," Johannes Kermer, Divisional Board Member for IT and Operations at apoBank.

Martin Beyer, Board Spokesman and Head of Corporate Development at Atruvia, said gbs will continue to be part of the IT ecosystem to service the cooperative banking sector and will support and collaborate with Atruvia to service our joint clients.

HCL Technologies has eight offices in Germany, including its regional headquarters in Eschborn. It has more than 1,800 employees serving 18 of DAX 40 companies. HCL has banking innovation centre in Eschborn, and an upcoming fintech lab in Berlin.

eBikeGo acquires manufacturing, marketing rights for European e-scooter Muvi from Torrot

Electric two-wheeler mobility firm eBikeGo has acquired the manufacturing and marketing rights for European e-scooter Muvi from Spanish automotive company Torrot, a statement said.

This vehicle will be manufactured and sold in the domestic as well as global market, eBikeGo said.

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Muvi is an IoT and AI-enabled electric vehicle with well-connected features and can be easily controlled and monitored via a smartphone.

It has a portable battery, allowing consumers to conveniently swap them at stations. Designed in Europe and having been accepted by 14 established e-commerce and shared mobility companies, Muvi is set to provide users with all the advantages of an EV more securely and conveniently, ebikeGo said.

The company also said it targets to capture a five per cent share of the global e-two-wheeler market with the manufacturing of Muvi.

With Muvi, eBikeGo is optimistic and confident to highly influence the adoption of EV in India, the company said.

With Muvi, Torrot has invested largely in R&D (research and development) since 2015, keeping the necessity to cater to a global market and has successfully developed and sold 30,000 units in Europe, eBikeGo said in the statement.

This proves an advantageous move for eBikeGo to get their hands on a go-to-market ready product, it added.

"We are happy to have acquired the license of manufacturing 'Muvi' from Torrot in India," said Irfan Khan, founder CEO of eBikeGo.

He added that some 25 million two-wheelers are sold every year in India alone. Out of which, e-two-wheelers account for a meagre 0.3 per cent, Khan said.

Khan also said this fraction has been constantly observed throughout the past six years, which heavily indicates the lack of market acceptance.

Noting that a customer-centric approach was lacking at present, he said, "We are certain that traditional vehicles, which are the sole cause of carbon emission, can be easily and effectively replaced by Muvi."

"This will greatly help us to broaden our horizons and to further become the front-runner of e-mobility adoption in the country," he said.

Muvi, being a technologically advanced vehicle and already operating in 12 countries, according to Khan, does not require any homologation to supply in these markets, opening ways for global presence.

Muvi is specifically designed to offer the best of both, comfort and safety, and with a power of 4.1 CV (3 Kw) which is equivalent to 125 cc, the e-scooter can go up to 100 km in Eco mode with a top speed of 60 km per hour, according to the statement.

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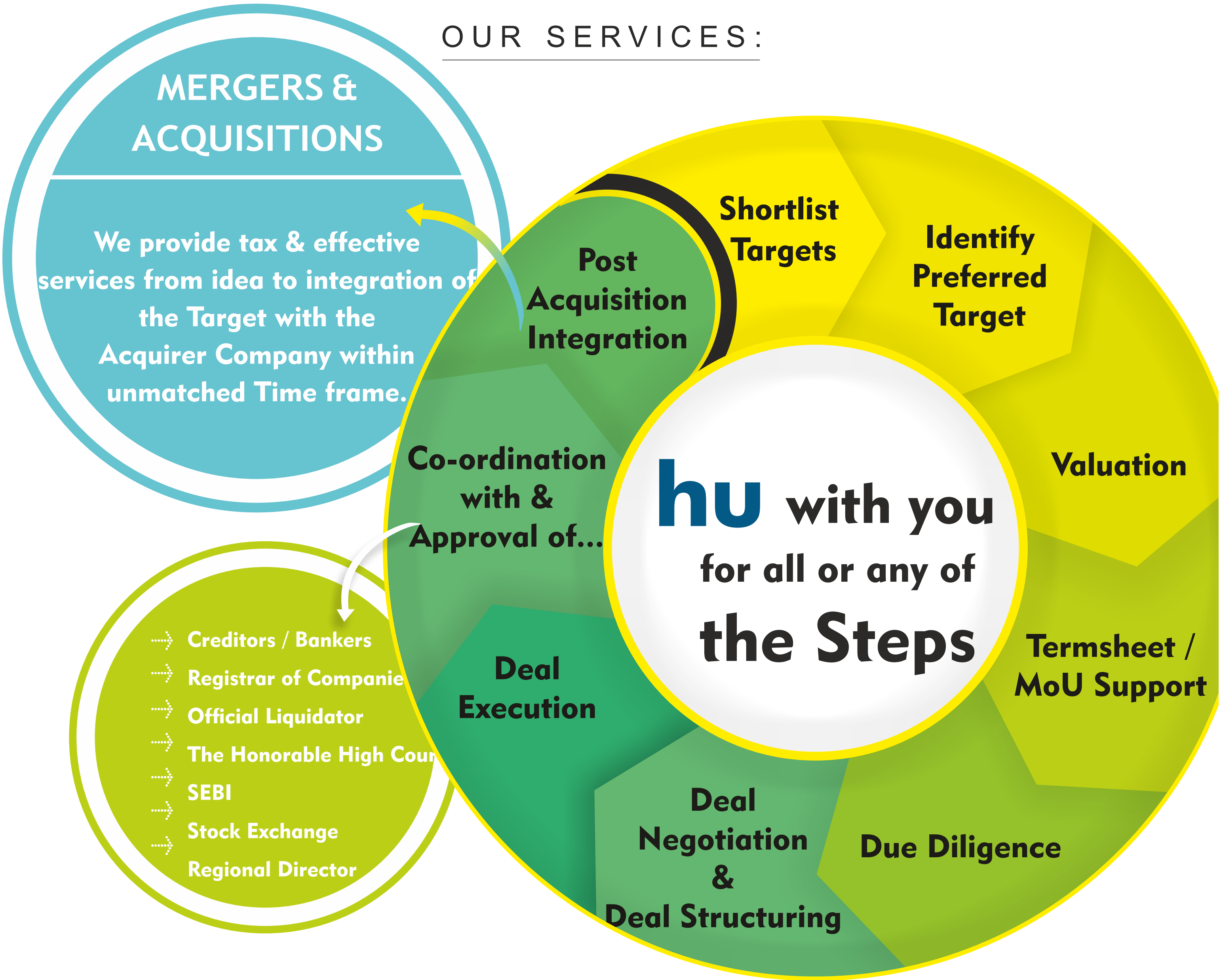

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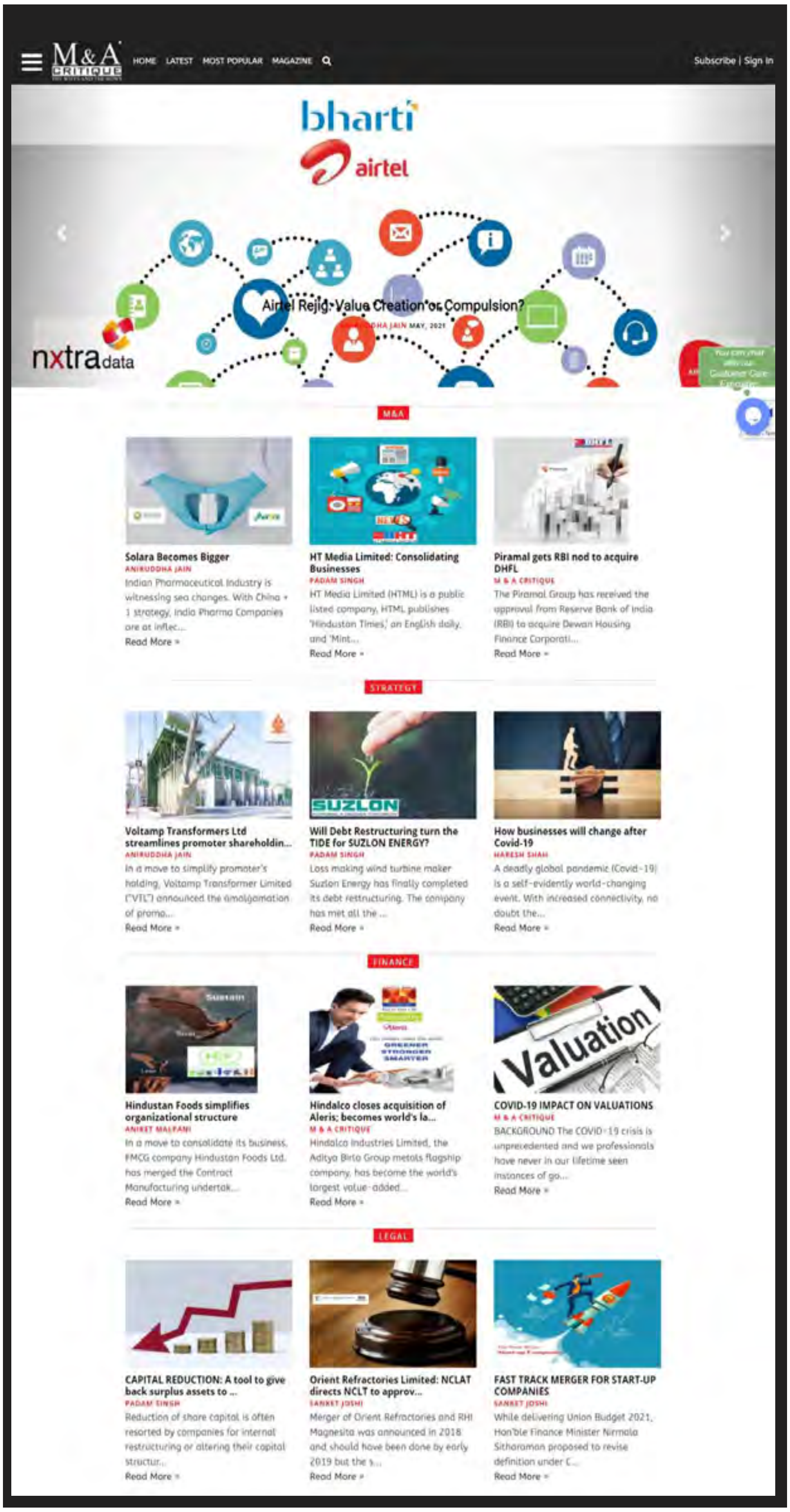

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